

**NEPAL INDIA TRADE AND TRANSPORT FACILITATION PROJECT  
(NITTFP)**

**Executive Summary**

**Environmental and Social Management Framework**



**A Guidance Document for dealing with Environmental and Social Issues  
during Planning, Design and Construction of Sub-Projects  
under the NITTFP**

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**Project Co-ordination Office, Ministry of Commerce and Supplies  
Government of Nepal**

## ACRONYMS

AADT	Annual Average Daily Traffic
BFC	Barandabhar Forest Corridor
BOQ	Bills of Quantities
CBO	Community-Based Organization
CFAA	Country Financial Accountability Assessment
CFS	Container Freight Station
CPS	Country Partnership Strategy
DFID	Department for International Development (UK)
DoC	Department of Customs, Govt. of Nepal
DoR	Department of Roads, Govt. of Nepal
DoTM	Department of Transport Management, Govt. of Nepal
EIA	Environmental Impact Assessment
EMP	Environmental Management Plan
ESMF	Environmental and Social Management Framework
FCS	Fragile and Conflict Affected States
GAP	Governance and Peace Action Plan
GATT	General Agreement on Tariffs and Trade
GDF	Gender Development Framework
GESU	Geo-Environment and Social Unit, Department of Roads, Govt. of Nepal
GoI	Government of India
GoN	Government of Nepal
GTZ	German Agency for International Cooperation
ICD	Inland Clearance/Container Depot
ICP	Integrated Check Posts
ICT	Information and Communication Technology
IEE	Initial Environment Examination
IFC	International Finance Corporation
IPPF	Indigenous Peoples Planning Framework
LCF	Local Consultative Forum
LCLA	Local Community Liaison Assistant
LPI	Logistics Performance Index
M&E	Monitoring and Evaluation
MoCS	Ministry of Commerce and Supplies (Nepal)
MoF	Ministry of Finance (Nepal)
MoPPWTM	Ministry of Physical Planning, Works and Transport Management (now called Ministry of Infrastructure Development and Transport)
NGO	Nongovernmental Organization
NITDB	Nepal Intermodal Transport Development Board
NITTFP	Nepal-India Trade and Transport Facilitation Project
NLTA	Non-Lending Technical Assistance
N-M	Narayanghat-Mugling
NTNC	National Trust for Nature Conservation (Nepal)

NTTFC	National Trade and Transport Facilitation Committee
OAG	Office of the Auditor General (Nepal)
ORAF	Operational Risk Assessment Framework
PAP	Project-Affected Person
PCO	Project Coordination Office
PFM	Public Financial Management
PIC	Public Information Center
RAP	Resettlement Action Plan
RoW	Right-of-Way
RPF	Resettlement Policy Framework
RSDP	Road Sector Development Project
RTI	Right to Information
SA	Social Assessment
SAARC	South Asian Association for Regional Cooperation
SAR	South Asia Region
SIA	Social Impact Assessment
SOE	Statement of Expenditure
VCDP	Vulnerable Community Development Plan
VDC	Village Development Committee
VOC	Vehicle Operating Cost
WBG	World Bank Group
WDR	World Development Report

## Background

Nepal is a geographically small landlocked country, nestled between China and India, the two most populous and among the world's most rapidly growing economies. Its territory is mostly mountainous and hilly and its transport infrastructure is poor. As a consequence, transport costs are high and the country near-completely depends on India for transit routes.

Sharing about 1,800 km long border and 26 border points, India is often considered Nepal's 'natural' trading partner. The port of Kolkata in India has been serving as Nepal's access to the sea and is a major transit point for Nepal's third-country trade. India also provides a large market for Nepali goods and services, and is Nepal's largest trading partner, with about 60 percent of Nepal's trade going to or coming from India. Despite its proximity and deep economic relations with India as well as China, Nepal's trade outcomes have been poor. Since 2007, exports have been stagnant, while imports have increased by more than 50 percent resulting in high trade deficit.

Enhancing trade competitiveness is one of six priorities of the Government of Nepal's (GoN) development plan. The Nepal Trade Integration Strategy (NTIS), 2010 seeks to enable inclusive growth in Nepal through enhancing the competitiveness of Nepal's exports and reducing the cost of trade. The priorities of this strategy include: (i) reducing the time and cost of trade-related transactions through efforts at simplification, harmonization, and automation; (ii) building the capacity of domestic trade-related institutions including for sanitary and phytosanitary inspections, trade negotiations, trade facilitation and logistics, and monitoring and regulating trade-related sectors; and, (iii) enhancing the Government's ability to coordinate trade-related institutions and development partners.

To address the hard and soft infrastructure bottlenecks to trade and transport connectivity, the Government of Nepal (GoN) has requested financial and technical assistance from the World Bank to support the Government's goals of enhancing international and intra-regional trade addressing the infrastructure and non-infrastructure constraints along the key international trade routes in Nepal. For this, the Nepal India Trade and Transport Facilitation Project (NITTFP) has been designed.

## Objectives of the Project (NITTFP)

The proposed development objective is to facilitate efficient transit and transport of goods traded between Nepal and India. This will be done by removing key trade-related infrastructure constraints within Nepal, and by alleviating soft barriers to trade between Nepal and India. The expected outcome as a result of project interventions is a reduction of transport time and logistics costs for Nepal's international trade.

## Project Components

The project would comprise of three components. The proposed activities under each of these components have been briefly described below:

### **Component 1: Modernize transport and transit arrangements between Nepal and India**

The project seeks to improve the efficiency of the systems used to manage and control the movement of Nepal's and India's international trade by providing technical assistance to introduce a modern and effective transit regime between the two countries including assistance to:

- (a) Nepal to propose evidence-based amendments to the Transit Treaty and Rail Services Agreement in order to expedite the movement of third-country trade passing through the two countries;

- (b) Nepal and Indian Customs to simplify and harmonize customs and border management procedures, processes and systems, especially to provide for electronic interchange of transit data; and,
- (c) the road transport regulatory authority in Nepal to strengthen and modernize the regulation of international trucking services including axle load control and road safety from a transport management perspective.

## **Component 2: Strengthen Trade-Related Institutional Capacity in Nepal**

### **(a) Trade Portal and Single Window System Development**

The project will finance the design, development and implementation of two closely interrelated information and communications technology (ICT) systems and related business process improvements to improve transparency and integrity, lower trade transaction costs, improve inter-agency coordination and reduce the time taken to clear goods. These systems will also assist Nepal to comply with current and future WTO requirements (GATT Article X) dealing with publication of trade rules and transparency. The Nepal Trade Information Portal (NTIP) will provide a single user-friendly website where comprehensive and up to date information on all tariff and non-tariff measures (including all relevant rules, regulations, procedures and fee schedules) applied at the time of import, export or transit is readily accessible to traders. The Nepal Single Window System (NSW) will allow traders to submit and have processed all required import, export and transit documentation electronically via a single gateway instead of submitting essentially the same information numerous times to different government entities. A significant amount of preparatory work for the component has already been undertaken under the Bank-managed NLTA program including an assessment of the legal and regulatory framework, preparation of options for the most effective governance and operational models, preparation of the technical and functional architecture for the NSW, preliminary work on business process simplification, change management and communication as well as capacity building for officials and the trading community. Lessons from successful Trade Portal and National Single Window systems elsewhere in the world (such as Lao PDR for the Trade Portal and Singapore, Philippines, and Indonesia for the Single Window) have been incorporated into the project design.

### **(b) Institutional strengthening for Inter-agency Coordination including financing of Project Coordination Office (PCO)**

Coordinating the multiple trade-related agencies in any country is a complex resource-intensive task, and Nepal currently does not have sufficient capacity to manage this task and ensure active and sustainable cooperation between multiple stakeholders. As such, the focus of this sub-component will be on strengthening Nepal's National Trade and Transport Facilitation Committee and the capacity of the Ministry of Commerce and Supplies (MoCS) to coordinate the trade-related agencies. Since the PCO is established within MoCS, its capacity will be strengthened to coordinate the implementation of the different activities and components of the project. Technical advisors will be hired for every sub-project, as well as skills for procurement, financial management, environmental and social safeguards, and monitoring and evaluation (M&E).

## **Component 3: Improve Select Trade-Related Infrastructure**

- a) **Expand and upgrade the Narayanghat-Mugling road section and implement measures for improvement of entire Birgunj-Kathmandu Corridor:** Upgrade and expand 33km of the Narayanghat-Mugling road section to Asian Highway Standard and address road safety, axle load control and biodiversity conservation issues along the trade corridor. This section experiences the heaviest traffic load

carrying 90 percent of Nepal's international trade traffic (about 6000 vehicles per day).

Since the improvement of border post infrastructure is expected to increase traffic along the entire Corridor from Birgunj to Kathmandu, the Project will also finance studies for the upgrading and expansion of other segments along the Corridor including the Birgunj-Hetauda section. Studies to be financed include those for environmental and social safeguards (including biodiversity management) as well as feasibility and design studies for the upgrading and maintenance of bridges along the corridor, and for the upgrading and expansion of the Birgunj-Hetauda road section.

- b) **Build a Container Freight Station (CFS) in Kathmandu:** To facilitate the loading and distribution of goods in the Kathmandu Valley, a CFS will be built in the Kathmandu Valley. The CFS will contain a parking lot and warehousing facility. Government will acquire the required land. Five possible sites were reviewed, with the optimal one being the site in Chobar formerly used for a cement factory and is now no longer operational. This site is owned by Government with access to the Inner Ring Road and Outer Ring Road.
- c) **Improve the infrastructure at Birgunj and Bhairahawa ICDs:** Improvements are needed at these two key ICDs to facilitate further trade and to improve the efficiency of current trade.

At the Birgunj ICD, the existing warehouse shed covers only about half the length of a train shipment. During the rainy season, the remaining goods are exposed to the elements and perishables goods would rot or suffer damage. There is also insufficient space for the loading and unloading of existing and anticipated future goods trade, which prolongs the queue/idle time and clearance time. Disabling of a set of unused tracks would create additional space for loading and unloading of Nepal's international goods trade which would also speed up these processes. The new extra space is especially needed for edible oils.

At the Bhairawa ICD, heavy rains and usage have caused severe damage to the surface of the ICD infrastructure including the access road and parking lot. Resurfacing with better materials is needed to restore the ICD to a useable state. A maintenance plan will also be prepared to prevent such damage in the future.

- d) **Pilot Multi-Functional Joint Analysis Laboratory** (including for Customs and SPS testing including food, plant, and animal quarantine): i) Provide capacity and change management support to agencies and stakeholders involved in the SPS testing and certification process to agree to simplify and harmonize their procedures within Nepal, and to draft a work plan towards upgrading standards and mutual recognition of certifications between Nepal and India. If co-located multi-functional laboratories are deemed necessary to facilitate the clearance process, a work plan with the input and agreement of stakeholders will be drafted which will include a governance plan, HRD plan, and operational procedures. The agencies and stakeholders involved in this initiative/working group include the Ministry of Commerce and Supplies, Department of Customs, Department of Agriculture, Department of Livestock Services, Department of Food Technology and Quality Control, and the Chamber of Commerce. (ii) Finance the provision of equipment, IT systems and connectivity, technical assistance, staffing and human resources capacity development, and change management support to pilot one or two new multi-functional, multi-agency, joint analysis laboratories at locations to be determined by stakeholders.

## **Project Cost and Financing**

The estimated total project cost is US\$101 million (m). IDA will finance US\$99 million, and the IFC will provide US\$2 million in support from its South Asia Regional Trade and Integration Program (SARTIP).

## **Need for Environment and Social Management Framework**

Although the general thrust and broad project interventions are well understood as outlined above, the specific details about the project components/activities except for the investment proposition as defined under 3a (the road sub-component) above are yet to be defined and therefore the nature and scale of their impacts, will be known only later. In such a situation, where sub-projects or activities will be located in different development regions of the country with varying geographical, topographical and socio-economic conditions, a need was felt to prepare a document that will 'guide' the planning, design and construction elements of sub-projects. Such a guidance document or a framework would help in integrating and harmonizing the environment and social management principles in the various stages of project preparation and execution. In this context, an Environment and Social Management Framework (ESMF) has been prepared for the Nepal India Trade and Transport Facilitation Project.

## **Purpose and Objectives of the ESMF**

The ESMF forms a part of the comprehensive environmental and social management approach that has been adopted for addressing the potential environmental and social impacts from this project, even when these are considered minor in nature. The Framework seeks to:

1. Establish clear procedures and methodologies for environmental and social planning, review and approval of sub-projects to be financed under the Project.
2. Consolidate and facilitate understanding of all essential policy and regulatory features of the Government of Nepal as well as the World Bank's environmental and social safeguards regime that are applicable to the project
3. To provide practical guidance on the implementation of the environmental and social management measures.
4. Specify institutional arrangements, including appropriate roles and responsibilities for managing, reporting and monitoring environmental and social concerns of the sub-projects and;
5. Determine the other institutional requirements, including those related to training and capacity building needed to successfully implement the provisions of the ESMF.

The application and implementation of the ESMF therefore, will:

- 1) Support the integration of environmental aspects into the decision making process of all stages related to planning, design, execution, operation and maintenance of sub-projects, by identifying, avoiding and/or minimizing adverse environmental impacts early-on in the project cycle.
- 2) Minimize environmental degradation to the extent possible resulting from either individual sub-project or through indirect, induced and cumulative effects of project activities.
- 3) Enhance the positive/sustainable environmental and social outcomes through improved/appropriate planning, design and implementation of sub-activities/sub-components.

- 4) Build the capacity of the Project Coordination Office of the Ministry of Commerce and Supplies to take-up and coordinate responsibilities related to application and implementation of the ESMF, including the preparation of the sub-project specific Environmental Assessment and Management Plans (if required).
- 5) Protect human health and minimize impacts on cultural property.

### **Application of the ESMF**

The ESMF is being/will be integrated into the preparation and implementation stages of the various project components. It is an essential ingredient aligned with the project/sub-project activities and is to be followed through the entire project cycle from planning, including site identification; design; implementation and operation/maintenance to attain the above outlined purpose and objectives.

The use/implementation of the Environment and Social Management Framework will also support compliance with applicable legal/regulatory requirements of Govt. of Nepal as well as with the requirements set forth in the relevant Bank policies.

The application of ESMF will enable potential social and environmental concerns of the proposed sub-projects to be thoroughly assessed in planning phase and design phases allowing for appropriate measures to be considered during project implementation. The framework serves as a tool to guide the project implementers to select the optimal project intervention required to address social and environmental concerns, prepare mitigation plan, and to ensure complete integration of social concerns and mitigation measure in the design of the project activities.

### **Revision/Modification of the ESMF**

The EsMF will be an 'up-to-date' or a 'live document' enabling revision, when and where necessary. Unexpected situations and/or changes in the project or sub-component design would therefore be assessed and appropriate management measures will be incorporated by updating the Environment Management Framework. Such revisions will also cover and update any changes/modifications introduced in the legal/regulatory regime of the country/ state. Also, based on the experience of application and implementation of this framework, the provisions and procedures would be updated, as appropriate in consultation with the World Bank and the implementing agencies/ departments.

## **PART A : ENVIRONMENTAL ISSUES AND THEIR MANAGEMENT**

The proposed project is located in Nepal, a geographically small landlocked country. Nestled between China and India, the two most populous and among the world's most rapidly growing economies, Nepal's territory is mostly mountainous/hilly and its transport infrastructure is poor, leaving many communities with limited access to local and international markets. The country is located in the central part of the Himalayan arc and occupies nearly one third of the mountain range. In terms of physiography, 83 percent of the country's geographical area is mountainous terrain and the remaining 17 percent lies in the northern edge of the alluvial plains of the great Gangetic Basin.

### **Potential Environmental Impacts**

The proposed project will contribute to positive economic growth both locally in the project area and at the regional level between Nepal and India by removing barriers to trade and transportation created due to poor condition of hard and soft infrastructure. The main beneficiaries from the Project will be traders and businesses in Nepal and India who will benefit from reduced time and cost of exporting and importing goods. Consumers will also benefit from lower prices on imported goods.

The proposed improvement and upgrading of the Narayanghat-Mugling (N-M) road, one of the key interventions planned under the project will result in positive benefits. The expected positive outcomes of this sub-project include improved connectivity between the terai districts and Kathmandu enhancing access to economic opportunities, administrative centres, health services, higher education facilities and savings in travel time and transportation costs for the local population using the road. Beneficiaries will also include road users as well as households and shopkeepers near the road, who will benefit from safer road conditions.

However, specific interventions planned for the N-M road is likely to have some potential adverse environmental impacts in its area of influence. The road has been proposed for improvement under Component 3 of the project and an appreciation of its characteristics/ issues remains the most relevant from a safeguard analysis perspective for this project. Environmental Assessment (EA) was carried out for Narayanghat – Mungling Road and on the basis of the findings from this study, an Environment Mmanagement Plan has also been prepared. A separate executive summary provides more information on this specific project activity.

The other trade-related infrastructure supported as part of the project does not entail any adverse or significant environmental and social impacts. There may not be any adverse environmental impacts due to component 1 and 2 of the project. However, there are a few other infrastructure activities under component 3, for which the specific geographical location/s are not known. In this light, the framework has identified the key potential adverse environmental impacts that may arise on account of the proposed ineterventions so that measures to address them can be taken early-on in the project planning and implmentation cycle. The table below highlights the potential adverse environmental that may arise on account of activities associated with sub-components under Component 3 (b, c and d).

### **Probable Adverse Environmental Impacts**

<b>Sub-component</b>	<b>Activities to be undertaken</b>	<b>Probable Adverse Impacts</b>
Building a Container Freight Station (CFS) in Kathmandu	<ul style="list-style-type: none"> <li>• Construction of building</li> <li>• Development of associated site infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>• Improper site selection</li> <li>• Potential clearing of forest patches</li> <li>• Potential destruction of niche habitat</li> <li>• Potential increase in local flooding and/or water logging from hard built surfaces with reduced percolation of floodwater</li> <li>• Temporary Noise and air pollution during construction/ demolition</li> <li>• Potential noise pollution during operation of warehouse and associated infrastructure (including traffic)</li> <li>• Accidental pollution of air, soil and/or water from imported and exported products that are contaminated</li> </ul>
Improve the infrastructure at Birgunj and Bhairahawa ICDs	<ul style="list-style-type: none"> <li>• Extension of the warehouse shed</li> <li>• Paving between existing rail tracks</li> <li>• Re-paving of pavement</li> </ul>	
Pilot Multi-Functional Joint Analysis Laboratory (including for Customs and SPS testing including food, plant, and animal quarantine)	<ul style="list-style-type: none"> <li>• Refurbishment or construction of laboratories</li> <li>• Provision of equipment, IT systems and connectivity</li> <li>• Staffing and human resources capacity development, and change management support</li> </ul>	

Sub-component	Activities to be undertaken	Probable Adverse Impacts
	<ul style="list-style-type: none"> <li>• Pilot one or two new multi-functional, multi-agency, joint analysis laboratories at locations to be determined by stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>• Improper disposal of chemical re-agents used in laboratory analysis and other solid waste from the laboratory affecting surface/ground water</li> <li>• Loss of common property resources</li> <li>• Occupational Health and Safety Issues during construction and operation of trade facilities/infrastructure</li> <li>• Improper disposal of construction wastes affecting land and/or water resources</li> <li>• Change in land- use ( such as from initial uses as agricultural or other subsistence activities).</li> </ul>

The impacts identified at this stage are generic in nature. The ESMF requires higher level of specificity in terms of ascertaining the exact nature, scale, duration and severity of impacts during the planning and implementation stages of specific sub-components and activities. The specific impacts from sub-project activities will depend on location, design, construction and operation. Proper application and implementation of the ESMF would ensure that the project design and implementation of the proposed sub projects or activities are socially and environmentally responsive and sustainable.

### Management of Environmental Impacts

Keeping the over-all impacts of the project in mind and in particular the issues associated with the civil works of N-M road, NITTFP has been identified as a **category 'A'** project. OP 4.01 has been triggered to ensure that all major (like road) and minor (other trade-related infrastructure) investments are planned and designed to be environmentally sound by integrating appropriate principles and approaches into the overall decision making process.

Two specific instruments have been developed for the project for effectively addressing the various identified environment and social issues:

1. Preparation of an Environment and Social Management Framework dealing with avoidance and minimization of the likely adverse impacts for the project as a whole and;
2. Environmental assessment and preparation of corridor-specific management plan for the Narayanghat-Mugling road, which has been identified as a key sub-project under Component 3 of the project. (summary prepared separately)

Both these instruments include measures to minimize and mitigate environment and social impacts through all stages of the project. Proper integration of findings from the safeguard studies and public consultation process into the planning/decision-making process and engineering outputs (design and bidding documents) would help in avoiding/reducing the environmental and social issues that may arise due to the project.

To ensure that sub-projects (other than N-M road) do not cause any significant adverse impacts, the identified propositions will undergo an environment screening process. In case significant impacts are likely to occur, the sub-project/s in question will require environmental assessment and preparation of mitigation/management plans. The key steps for managing any potential adverse environmental impacts are outlined in the table below:

<b>Stages in Sub-Project Cycle</b>	<b>Steps in the Assessment Process</b>
Sub-Project Identification & Pre-Feasibility Studies	<ol style="list-style-type: none"> <li>1. Environmental Screening to determine key issues and appropriate selection of site</li> <li>2. Field verification to determine whether exclusion criteria have been adhered to</li> </ol>
Project Design (for sub-projects that do not require detailed assessment)	<ol style="list-style-type: none"> <li>1. Consultation with key stakeholders</li> <li>2. Preparation of Environment Management Plan for sub-projects not requiring detailed assessment</li> <li>3. Integration of the EMP into the Bidding Documents</li> </ol>
Project Design (for sub-projects that require detailed assessment)	1. Initial Environmental Examination (IEE): Assessment of environmental impacts to determine level and scope of EA
	2. Scoping and TOR: Identification of key potential impacts and propose terms of reference for the EIA accordingly.
	3. Baseline Data Collection: Identification of environmental and socio-economic conditions.
	4. Environmental Impact Prediction/Assessment: Assessment of impacts in terms of characteristics such as magnitude, extent, duration and significance in quantitative terms as far as possible; describe all reasonable alternatives, including preferred and 'no project' options.
	5. Mitigation Measures Design: Design to avoid, reduce and minimize adverse environmental impacts and enhance beneficial impacts
	6. Public Consultation and Participation: At various stages in the assessment process to ensure quality, comprehensiveness and effectiveness of the stakeholders' participation and to adequately reflect/address their concerns.
	7. Preparation of Environmental Management Plan (EMP): Determination of specific actions to taken during engineering design and construction stages to minimize or mitigate negative impacts and enhance the positive impacts.

<b>Stages in Sub-Project Cycle</b>	<b>Steps in the Assessment Process</b>
	8. Report Preparation: Summary of all information obtained, analyzed and interpreted in a report form; also include a non-technical summary including methods used, results, interpretations and conclusions made. GoN's EPA and EPR do not demand for ISEA report. Rather IEE/EIA is sufficient for EA process but it should incorporate physical, chemical, biological, social, economic and cultural aspects/ environment as these are considered to be the inseparable parameters of the existing environment as a whole.
Sub-Project Approval	<ol style="list-style-type: none"> <li>1. Review and Approval of Technical and Safeguard Report/s: Review of report/s to assess if all possible issues have been adequately addressed to facilitate the decision-making process- decide if project should proceed, or if further alternatives must be examined or totally abandoned.</li> <li>2. Integrate EMP into engineering design and bidding documents</li> </ol>
Implementation	<ol style="list-style-type: none"> <li>1. Orient / train the Contractor and other field staff on EMP requirements.</li> <li>2. Supervise, Monitor and Regularly Report on EMP compliance</li> <li>3. Determine clean-up and site rehabilitation before Completion and Final Bill Payment</li> <li>4. Take corrective actions, as and if necessary</li> </ol>
Post-Construction	<ol style="list-style-type: none"> <li>1. Maintenance and Operation to include EMP compliance of post-operation stage</li> </ol>

### **Exclusion Criteria**

The following lists the sub-project activities that cannot be supported under the NITTFP:

- Any sub-project activity inside the core zone of a protected area.
- Any construction/rehabilitation of sub-project inside a critical natural habitat not under the 'protected area category', if the proposed activity has not undergone IEE or EIA level studies.
- Any construction activity inside a Government Managed Forest without obtaining written permit or authorization from the Department of Forest (DOF) in accordance with the requirements of prevailing legislations
- Any sub-project activity that involves use of explosives and blasting without obtaining written authorization from all concerned agencies and technical guidelines for best and safe practices of blasting.
- Any sub-project activity that involves the procurement and/or use of pesticides categorized as Class Ia, Ib and II as per WHO classification

- Any sub-project activity that involves the procurement and/or use of pesticides that has not been authorized in accordance with the Pesticides Act of the Government of Nepal.
- Any sub-project activity that may adversely impact a cultural resource, including construction within 50 m distance of any physical cultural resource, without written authorization from the concerning authorities.
- Any sub-project activity that requires relocation of households, acquisition of land and property without the preparation of Resettlement Action Plan.
- Any sub-project activity that is likely to make adverse impact on indigenous communities, women and vulnerable groups, without the preparation of Indigenous and Vulnerable Communities Action Plan

## **Environmental Screening**

Every sub-project proposal to be funded under the NITTFP is subject to environmental screening process before it is selected for inclusion in the project. The screening process establishes the level of environmental assessment required and application of exclusion criteria given above. The screening process intends to:

1. Determine potential impacts of selected sub-components as to whether they are likely to cause negative environmental and social impacts
2. Determine the scope or focus of detailed assessment
3. Helps in making appropriate decision about inclusion or exclusion of the site/location under consideration.

## **Environmental Assessment (EA)**

After the screening exercise is accomplished and the findings point out to the requirement of a detailed assessment, an IEE or EA will be conducted in accordance with the prevailing legislations/criteria and the requirements set forth in the ESMF. In this process, PCO will facilitate the approval, initiation and co-ordination for such a study.

An EA consists of a comprehensive study that involves thorough documentation of existing conditions, and identification of impacts with a comparison of alternative project design options, including without the project option. EA has three objectives: assist decision makers in getting a clear picture of the potential impact on the overall environmental quality; provision of impact prevention and enhancement of benefits and minimization of impacts in the long term; and provide a forum that allows direct input from stakeholders in the managements of the project.

## **Analysis of Alternatives**

For all project interventions other than the road sub-component, the requirement for analyzing alternatives has been detailed out in the ESMF. The ESMF prepared for effective safeguards management in the project, especially for selecting sites for the trade related facilities, requires analysis of various alternatives as part of the environment and social screening process. The screening results and analysis of alternatives, as needed on a case-to-case basis, will be reviewed and cleared by the Bank prior to approving the sub-project/s for implementation.

## **Environment Management Plan (EMP)**

Certain activities/interventions will have an impact on the natural environment, the scale of which would depend on the existing baseline conditions in the sub-project area and thus would require a specific plan to institute and monitor mitigation measures and take

desired actions in a timely manner. For sub-projects that require a detailed assessment, EMPs will be derived from the impacts predicted and suggested mitigation measures. For all other sub-projects, an EMP will be prepared using the environment codes of practice provided in the ESMF. These include guidance on: (a) site selection; (b) construction stage impact management (including health and safety aspects, disposal of wastes, camp site management, pollution abatement, appropriate sourcing of materials, site clean-up and rehabilitation), (c) consultations; and (d) monitoring and reporting.

An EMP would be sub-project specific, with the extent, magnitude and temporal scale of the sub-project activities determining the contents/coverage of the plan. Depending on extent of issues that are to be avoided, minimized and/or mitigated, the EMP will have concrete/specific mitigation actions, timelines and responsible persons. An EMP will include:

- Mitigation, enhancement, protection and compensation measures for each phase - design, pre-construction, construction and operation
- Disaster management contingency plan where applicable especially in areas with potential flooding, earthquake zones
- Institutional arrangements for EMP implementation
- Monitoring and reporting requirements (including parameters and frequency)
- Cost estimates / budget
- Implementation Schedule

### **Institutional Arrangements for Environment Management**

The MoCS/NITDB will be responsible for project co-ordination, including the required environment safeguards management. MoCS/NITDB does not have any experience of managing environmental safeguard issues. External experts from the market have been hired to assist the safeguards management and implementation of the Environmental and Social Management Framework (ESMF) in particular. The PCO will also get capacity support for enhancing environmental management skills.

## **PART B : SOCIAL ISSUES AND THEIR MANAGEMENT**

Given the distributed nature of project investments under component III, the investments under the project may entail adverse social impacts, including acquisition of private land and resettlement issues. The SMF intends to help manage the social impacts through appropriate measures during the planning, design, construction and operation of various sub-projects. The framework identifies the level of safeguard due-diligence required for all categories of sub-projects and provides specific guidance on the policies and procedures to be followed for social assessment along with roles and responsibilities of the implementing agencies. It essentially comprises the following key sections:

- A brief summary of likely Social Impacts
- Social Regulatory Framework applicable for the project
- Social Management Framework
- Institutional Arrangements
- Training and Capacity Building for ESMF

### **Probable Adverse Social Impacts**

There not be any adverse social impacts due to component 1 and 2 of the project. Social Impact Assessment was carried out for Narayanghat–Mungling Road under component 3 and Resettlement Action Plan and Vulnerable Community Development

Plan has also been prepared. However, there are certain infrastructure under component 3 where the geographical locations are not known. This framework identifies possible adverse social impacts due to the implementation of sub projects.

<b>Sub-component</b>	<b>Activities to be undertaken</b>	<b>Probable Adverse Impacts</b>
Building a Container Freight Station (CFS) in Kathmandu	<ul style="list-style-type: none"> <li>• Construction of building</li> <li>• Development of associated site infrastructure</li> </ul>	<ul style="list-style-type: none"> <li>• Involuntary land taking</li> <li>• Displacement of households (residential, commercial, residential cum commercial)</li> <li>• Loss of private immovable assets</li> <li>• Loss of livelihood</li> <li>• Loss of source of livelihood</li> <li>• Loss of common property resources</li> </ul>
Improve the infrastructure at Birgunj and Bhairahawa ICDs	<ul style="list-style-type: none"> <li>• Extension of the warehouse shed</li> <li>• Paving between existing rail tracks</li> <li>• Re-paving of pavement</li> </ul>	
Pilot Multi-Functional Joint Analysis Laboratory (including for Customs and SPS testing including food, plant, and animal quarantine)	<ul style="list-style-type: none"> <li>• Refurbishment or construction of laboratories</li> <li>• Provision of equipment, IT systems and connectivity</li> <li>• Staffing and human resources capacity development, and change management support</li> <li>• Pilot one or two new multi-functional, multi-agency, joint analysis laboratories at locations to be determined by stakeholders</li> </ul>	

### **Social Management Framework**

It is essential that the potential social concerns of the proposed sub-projects are thoroughly assessed in planning phase and design phases during which appropriate measures can be considered for the project implementation. SMF has been developed as a decision making tool to ensure that the activities selected and implemented under project are socially responsive and sustainable. This framework will serve as a tool to guide the project implementers to select the optimal project intervention required to address social concerns, prepare mitigation plan, and to ensure complete integration of social concerns and mitigation measure in the design of the project activities.

SMF recognizes the need for an early social assessment, during preplanning stage of activities at the field level to identify any adverse impact which helps to plan mitigation measures and help in mainstreaming this aspect throughout the implementation phase. SMF has been prepared fully by considering the World Bank safeguard policy and Government of Nepal's (GON) regulatory/policy requirements. This framework includes social screening of the subcomponents; Resettlement Policy Framework (RPF); frameworks for preparing vulnerable community development plan, gender action plan; and consultation dissemination framework.

### **Resettlement Policy Framework**

The guidelines are prepared for addressing the issues limited to this project for resettlement and rehabilitation of the PAPs. This policy has been developed based on the GON's legal frameworks and the World Bank OPs 4.12 on involuntary resettlement.

## **Broad Principles**

The RPF aims to resettle and rehabilitate the affected persons on account of its sub projects in a manner that they do not suffer from adverse impacts and shall improve or at the minimum retain their previous standard of living, earning capacity and production levels. It is also the endeavor of the project that the resettlement shall minimize dependency and be sustainable socially, economically and institutionally. Special attention will be paid for the improvement of living standards of marginalized and vulnerable groups. The broad principles of the policy are as below:

- The adverse impacts on persons affected by the project would be **avoided** to the extent possible.
- Where the adverse impacts are unavoidable, the project-affected persons will be assisted in improving or regaining their standard of living. Vulnerable groups will be identified and assisted to improve their standard of living.
- All information related to resettlement preparation and implementation will be disclosed to all concerned, and community participation will be ensured in planning and implementation.
- Private negotiations will also be used for land acquisition as required.
- The persons affected by the project who does not own land or other properties but who have economic interest or lose their livelihoods will be assisted as per the broad principles brought out in this policy.
- Before taking possession of the acquired lands and properties, compensation and R&R assistance will be made to those who are available and willing to receive the entitlements in accordance with this policy.
- There would be no/or minimum adverse social, economic and environmental effects of displacement on the host communities but if needed specific measures would be provided.
- Broad entitlement framework of different categories of project-affected people has been assessed and is given in the entitlement matrix. Provision will be kept in the budget. However, anyone moving into the project area after the cut-off date will not be entitled to assistance.
- Three tier appropriate grievance redress mechanism has been established at project level to ensure speedy resolution of disputes.
- All activities related to resettlement planning, implementation, and monitoring would ensure involvement of women. Efforts will also be made to ensure that vulnerable groups are included.
- All consultations with PAPs shall be documented. Consultations will continue during the implementation of resettlement and rehabilitation works.
- As required, a Resettlement Action Plan will be prepared including a fully itemized budget and an implementation schedule.

## **Social Screening : Identification of Impacts and Categorization**

Screening is the first step in the SMF process. The purpose of screening is to get an overview of the nature, scale and magnitude of the issues in order to determine the need for conducting SIA and preparing Resettlement Action Plan (RAP). After identifying issues, the applicability of the Bank's environment and social safeguard policies is established along with Government of Nepal's regulatory requirements. Based on this, boundaries and focus areas for the SIA along with the use of specific instruments are determined.

Each sub project will go through screening in order to identify relevant adverse impacts. The screenings are also helpful to suggest if any further investigation and assessment is necessary.

The screening process intends to:

1. Determine potential impacts of selected subcomponents as to whether they are likely to cause negative environmental and social impacts, identify the types and classify in terms of Categories.
2. Determine appropriate mitigation measures for activities causing adverse impacts.
3. Incorporate mitigation measures into project designs before implementation.

### **Social Impact Assessment**

In case screening results identifies adverse social impacts, Social Impact Assessment will be carried out. The project will undertake a survey for identification of the persons and their families likely to be affected by the project. Every survey shall contain the following municipality or ward / village-wise information of, the project affected families.

### **Preparation of Resettlement Action Plan (RAP)**

Having identified the potential impacts of the relevant sub-projects, the next step is to develop action plan to mitigate the impacts. The RAPs provides a link between the impacts identified and proposed mitigation measures to realize the objectives of involuntary resettlement. The RAPs will take into account magnitude of impacts and accordingly prepare a resettlement plan that is consistent with this framework for Bank approval before the sub-project is accepted for Bank financing.

- a) Sub-projects that will affect more than 200 people due to land acquisition and/or physical relocation and where a full Resettlement Action Plan (RAP) must be produced.
- b) Sub-projects that will affect less than 200 people will require an abbreviated RP.
- c) The above plans will be prepared as soon as subproject is finalized, prior to Bank's approval of corresponding civil works bid document.
- d) Projects that are not expected to have any land acquisition or any other significant adverse social impacts; on the contrary, significant positive social impact and improved livelihoods are exempted from such interventions.

### **Sub-Project Approval**

In the event that a subproject involves land acquisition against compensation or loss of livelihood or shelter, the project shall:

- a) not approve the subproject until a satisfactory RAP has been prepared and shared with the affected person and the local community; and
- b) not allow works to start until the compensation and assistance has been made available in accordance with the framework.

### **R&R Benefits for Project Affected Families**

The resettlement and rehabilitation (R&R) benefits shall be extended to all the Project Affected Families (PAF). The details are provided in the entitlement matrix.

### Entitlement Matrix

Loss Category	Entitlement Unit	Description of Entitlement
Loss of Trees and Crop	Landowner	<ul style="list-style-type: none"> <li>• At least three months advance notice for crop harvest</li> <li>• In absence of advance notice, cash compensation based on annual value of the produce and calculated according to the Department of Agriculture norms (crop compensation)</li> <li>• Cash compensation based on annual value of the produce and calculated according to the Department of Forestry (for trees compensation)</li> </ul>
Loss of agriculture land, if any	Registered owner	<ul style="list-style-type: none"> <li>• Cash compensation at replacement cost</li> <li>• Any transfer costs, registration fees or charges</li> <li>• Compensation for crops and trees if any</li> <li>• Subsistence allowance equivalent to one year of minimum agriculture wages</li> </ul>
Loss of agriculture land, if any	Non- titleholder	<ul style="list-style-type: none"> <li>• Compensation for crops and trees if any</li> <li>• Subsistence allowance equivalent to six months of minimum agriculture wages for loss of livelihood</li> </ul>
Loss of House or other property	Property owner (title holder)	<ul style="list-style-type: none"> <li>• Compensation at replacement cost or as settled by users' organization and PAP or committee under District Administration Office.</li> <li>• Shifting allowance of NPR 5000 as one time grant.</li> <li>• Resettlement assistance of NPR 50000</li> </ul>
Loss of house or other property	Encroachers / squatters	<ul style="list-style-type: none"> <li>• Compensation for the structure build on government land at replacement value</li> <li>• One time grant of NPR 5000 as shifting allowance.</li> <li>• Resettlement assistance of NPR 50000</li> </ul>
Loss of Income or source of income	Eligible household	<ul style="list-style-type: none"> <li>• Subsistence allowance equivalent to one year of minimum agriculture wages</li> </ul>
Loss of Common Property Resources	Community	<ul style="list-style-type: none"> <li>• Any CPR impacted will be replaced by the project</li> </ul>

### Vulnerable Community Development Framework (VCDF)

In Nepal, there are several factors that could determine a group's vulnerability. Even though gender, caste and ethnicity have been officially acknowledged as primary factors that determine a group's backwardness; other factors such as region, economic status and patronage network play an equally important role. The Tenth National Plan (2002–

2007) have identified three major groups as more vulnerable than others in the context of Nepal—women, *Dalits* and *Adivasi/Janajati*. These three groups are disadvantaged in terms of (i) access to livelihood, assets and services; (ii) social inclusion and empowerment; (iii) legal inclusion and representation in Government; and (iv) economic marginalization.

### **Women and Others as Vulnerable Group**

Though women comprise half of the total population, gender discrimination still prevails in the society. Status of women in Nepal with regards to their access to knowledge, economic resources, political power, and personal autonomy in decision making is quite low. Despite the high average work burden of women, which at 16 hours a day is much higher than the global average (Nepal Human Development Report, 2004), women still lack access to and control over productive resources. Only 19.71 percent of women have land ownership while a meager 5.5 percent own a house of their own. Women in all social groups and regions have been proven as more disadvantaged than their male counterpart and even among women widows, separated, divorced and women headed households are particularly vulnerable. Similarly, women in all groups due to their limited access to economic resources and livelihood options can equally be classified as vulnerable who are at permanent risk for facing severe poverty in Nepal. Elderly people, children and the individuals less able to care themselves within the communities are also persons who are any time prone to vulnerability.

### **Objectives of the VCDF**

The principal objectives of the framework are to:

- (i) ensure that project engages in free, prior, and informed consultation with the vulnerable community wherever they are affected.
- (ii) ensure that project benefits are accessible to the vulnerable community living in the project area
- (iii) avoid any kind of adverse impact on the vulnerable community to the extent possible and if unavoidable ensure that adverse impacts are minimized and mitigated
- (iv) ensure vulnerable people's participation in the entire process of preparation; implementation and monitoring of the sub project activities
- (v) minimize further social and economic imbalances within communities; and
- (vi) develop appropriate training / income generation activities in accordance to their own defined needs and priorities.

### **Steps for preparing VCDP**

The steps to be followed for VCDP are as follows:

1. Screening to identify whether Indigenous / vulnerable peoples are present or have collective attachment to, the project area
2. Social assessment and analysis to be carried out to address the social concerns of the subcomponent area
3. Identifying views of the affected communities by following a process of free, prior, and informed consultation at each stage of the project, and particularly during project preparation
4. Institutional arrangements (including capacity building wherever necessary) for screening project-supported activities, evaluating their effects on vulnerable community, preparing VCDPs (if required), and addressing grievances

5. The preparation of Plan
6. Monitoring and reporting including the establishment of mechanisms and benchmarks appropriate to the project and
7. Disclosure of the draft Plan

### **Suggested Format for VCDP**

The suggested format for the VCDP is as follows

- Description of sub projects and implications for the vulnerable community
- Gender disaggregated data on number of vulnerable households by impact category
- Social, cultural and economic profile of the households
- Land tenure information
- Documentation of consultations with the community to ascertain their views about the project design and mitigation measures
- Findings of need assessment of the community
- Community development plan based on the results of need assessment
- Modalities to ensure regular and meaningful consultation with the community
- Institutional arrangement and linkage with other national or state level programmes
- Institutional mechanism for monitoring and evaluation of VCDP implementation and grievance redress
- Implementation Schedule and cost estimate for implementation

### **Specific Measures**

Specific measures for vulnerable groups including indigenous peoples, Dalits, minor ethnic communities, women, and powerless communities are outlined in table below. Source of funding and the agencies responsible to implement the proposed strategies are included in the table.

#### **Specific Measures for Vulnerable People**

<b>Proposed Strategies</b>	<b>Sources of Funding</b>	<b>Agencies Responsible</b>
<b>A. Inclusion</b>		
<ul style="list-style-type: none"> <li>• Ensure awareness raising, active participation and capacity building of the vulnerable communities</li> <li>• Ensure of participation in awareness campaign, project implementation and monitoring</li> <li>• Ensure equal wages for similar work during implementation</li> <li>• Launch project information campaign to inform the target groups about the key features of the project and sub-project.</li> </ul>	GON	PCO

Proposed Strategies	Sources of Funding	Agencies Responsible
<b>B. Programme Planning</b>		
<ul style="list-style-type: none"> <li>Assess and analyze the presence of indigenous and Dalits in subcomponent sites</li> <li>Treat and support indigenous people, dalits and other vulnerable communities preferentially</li> <li>Involve indigenous people and dalits in beneficiary groups to increase their participation.</li> <li>Define training/income generation activities based on the identified needs and priorities of vulnerable people in the subproject area.</li> </ul>	GON	PCO
<b>C. Capacity Building</b>		
<ul style="list-style-type: none"> <li>Conduct project related meetings in indigenous and vulnerable community areas to encourage their participation. Ensure a quorum which includes representation from IP groups.</li> <li>Provide targeted assistance/training aimed at vulnerable groups to enhance livelihoods and participation in the subcomponents</li> <li>Built in awareness campaign about the project in the subproject</li> <li>Build capacity of indigenous peoples, Dalits and other vulnerable communities promoting necessary knowledge and skills to participate in subcomponent activities</li> <li>Develop capacity through trainings on application of Agriculture Information system to small farmers</li> </ul>	GON	PCO

### Framework for Developing Gender Action Plan

The GDP framework outlines the specific issues linking with corresponding strategies and activities which will be given due consideration in the project. This will ensure women's participation in the value-chain in order to benefit from project activities. The major tools are used to identify and deal with gender issues in the project cycle: gender analysis, project design, and policy dialogue.

*Gender analysis should* be an integral part of the initial social assessment at the screening stage itself. The issues identified can be scaled up during the feasibility and detailed analysis can be carried out during the DPR stage.

The project designs should be gender responsive based on the gender analysis, and should be included in the DPR. The findings and recommendations from the gender analysis during project planning and feedback from beneficiaries during implementation must be discussed thoroughly to determine the need for further action.

The suggested Gender Development Plan for the project is presented below.

<b>Issues</b>	<b>Strategy</b>	<b>Proposed Activities</b>
Lack of awareness	<ul style="list-style-type: none"> <li>• Awareness campaign about the project for the community focusing on the vulnerable group including women.</li> </ul>	<ul style="list-style-type: none"> <li>• Formation of women groups around specific project areas.</li> <li>• Share information about the project benefits in Nepali language.</li> </ul>
Low Level of literacy	<ul style="list-style-type: none"> <li>• Support functional literacy campaign and develop extension programmes to take the benefits from the project as per the needs of illiterates.</li> </ul>	<ul style="list-style-type: none"> <li>• Undertake literacy programs as built- in activities coordinated with literacy programmes.</li> <li>• Develop the implementing strategies to communicate real time information specifically for EWS.</li> <li>• Develop audio-visual aids and documentary for training programs about the project for illiterate women groups.</li> </ul>
Excluded from Opportunities and because of social boundaries as a result low level of participation in decision making process	<ul style="list-style-type: none"> <li>• Rapport building with Women Development Office at District or local level involving them in Programmes</li> <li>• Gender sensitization to all stakeholders including project entities.</li> <li>• Ensure Women's participation during meetings, project implementation And monitoring .</li> </ul>	<ul style="list-style-type: none"> <li>• Carry out meetings and interaction programme with and orientation to women in the community.</li> <li>• Conduct leadership training for women members of commodity groups.</li> <li>• Provide opportunities of exposure or study visit to women's group to develop their leadership capacity</li> </ul>
Lack of knowledge on and access to technical knowhow	<ul style="list-style-type: none"> <li>• Promote need based technical awareness and support services.</li> </ul>	<ul style="list-style-type: none"> <li>• Organize training on newly lunched technologies (metrological/hydrological)</li> </ul>
Disparity in Wages	<ul style="list-style-type: none"> <li>• Accord Priority Employment to women in project generated construction activities.</li> <li>• Promote equal wages for equal work</li> </ul>	<ul style="list-style-type: none"> <li>• Inform women groups regarding proposed construction works. Identify women interested to work; assess their skills and involve them as per their capabilities.</li> <li>• Monitor women wage rate and do the needful to ensure wage equality for similar type of construction works.</li> <li>• Inclusion of the above elements in the contractors' document.</li> </ul>

## Social Accountability and Grievance Redressal Mechanism

The social accountability mechanisms will be established for all sub projects. The key approaches that would be adopted for ensuring social accountability would be any or a combination of participatory processes guiding social audit, citizen score card and report card to acquire feedback on performance of the sub projects and record citizens' recommendations for improvement. The social accountability mandate will be further strengthened through a strong grievance redress mechanism.

A Grievance Redress Cell (GRC) will be set up at the sub project level. The head of the cell will be a person of repute but not continuing in the government service. The GRC will have its own bye laws. The functions of the GRC will include: (i) to redress grievances of project affected persons (PAPs) in all respects; (ii) rehabilitation and resettlement assistance and related activities; (iii) GRC will only deal/hear the issues related to R&R and individual grievances; (iv) GRC will give its decision/verdict within 15 days after hearing the aggrieved PAPs; (v) final verdict of the GRC will be given by the Chairman/Head of GRC in consultation with other members of the GRC and will be binding to all other members. It shall be conveyed in writing to all concerned.

## Part D : Stakeholder Consultation and Monitoring Arrangements

Both environment and social management processes under ESMF require regular consultations with key stakeholders and monitoring arrangements to ensure that the intended outcomes from this safeguard instrument are achieved. The key requirements for this are summarized below:

### Consultation and Dissemination Strategy Framework

Public consultations will be conducted during project implementation in compliance with Nepali laws on NGOs and Media and World Bank Policy on Disclosure of Information. Consultation framework for information disclosure has been schematically presented in Figure below. The project's information such as sites, scale of impacts- adverse and beneficial social benefits, sustainability, monitoring system and the outcome of the project need to be compiled.

Consultations with Project Affected Persons and their profiling are mandatory as per the requirements of SIA and preparation of RAP. This needs to be done as socio-economic and census surveys as part of the detailed designs. Consultations with respect to and cultural aspects are to be carried out as part of the Social Impact Assessments for all alternatives and the selected alternative sub-project option. Table below presents potential stakeholders for consultation, mode of consultation and ways of dissemination at various stages of consultation. The Project Coordination Office will take all the responsibilities for the consultation.

#### Key Elements - Consultation Framework

Stage/s	Strategic Works	Mode of Consultations	Ways of Dissemination
Screening	Site visits (if necessary) and desk work	Public Meetings, Interaction, FGDs and transect walk together with the local residents	Provide information about project's activities using local language/Nepali language

<b>Stage/s</b>	<b>Strategic Works</b>	<b>Mode of Consultations</b>	<b>Ways of Dissemination</b>
Project Formulation	Identification of interest parties, development of consultation methodology & Schedule, consultation with interest parties, and Consideration of necessary changes	Workshop, Meetings	Orientation in local language/Nepali language
Impact Assessment	Scoping, assessment and management process, alternative option, mitigation measures	Workshop, meetings, FGDs, site surveys	Orientation using local language/Nepali language
Implementation and monitoring	Consultation and collaboration on the basis of project activities	Workshop, meetings, group formation	Orientation using local language/Nepali language

### **Impact Monitoring and Evaluation**

Impacts of the proposed sub projects will be monitored on the basis of a scheduled plan. Frequency of monitoring will depend on size, location and magnitude of the project parameters. The PCO is responsible to adhere with monitoring parameters, locations, schedule and responsibilities. Impact monitoring will be carried out through internal monitoring system. External evaluation will be carried out twice in the life cycle of the project implementation – once at the midterm of implementation and again at the end of implementation. PCPO will be responsible for both the evaluations.